



Job Creation Performance Incentive Fund

Purpose:

The Job Creation Performance Incentive Fund (PIF) provides a performance-based incentive payment to qualifying companies that have created net new jobs paying above average wages. The program is designed to support and encourage new business development, business expansions and relocations that have generated new jobs throughout the State.

Funding Source:

Three million dollars will be available annually to fund this program.*

The State's Role:

The Colorado Office of Economic Development and International Trade (OEDIT) provides administrative support for the Colorado Economic Development Commission (EDC). The EDC has oversight authority for this program. The OEDIT's Business Finance Staff will facilitate the application review/disbursement process generally within 60 days after receipt of an application.

Requirements:

After maintaining new jobs for one year, an employer has 90 days from the last day of the month in which the jobs were filled to submit an incentive application. The first month in which an application may be submitted is January 2007 (for jobs created in January 2006). Incentives will be awarded to applicants in the order in which the EDC receives complete, accurate and eligible applications (first come, first serve) until all program funds have been expended. Any eligible applications that are received after funds have been expended will be placed first in line until new funding is available.

Employers located in a rural area must hire at least five new full-time jobs within one calendar month and employers located in an urban area must hire at least 10 new full-time jobs within one calendar month. Businesses with multiple locations within Colorado may combine locations to meet the minimum job creation requirements as long as all jobs are hired within the same month. If one or more of the locations are located in an urban area, the minimum job creation requirement is 10 new full-time jobs.

Eligible new jobs (net new jobs) are those jobs that are in addition to the three year full-time employee average (from the preceding three years) and can only be counted one time.

If a business is affiliated with a parent company or subsidiary that is also located in Colorado, the net new jobs must be in addition to a three year average of all Colorado Affiliated entities. In addition, if a business has multiple locations, the net new jobs must be in addition to a three year average of all Colorado locations.

The employer must maintain all of the new jobs for at least one year in order to claim the incentive.

*An amount equal to 15% of each annual allocation will be used by the Commission to award performance-based incentives to employers who open a business or expand or relocate an existing business from an out-of-state location and create new jobs in an enterprise zone that is not within the counties of Denver, Boulder, Douglas, Arapahoe, Jefferson or Broomfield.

Incentive:

The following chart shows the incentive levels – based on the new employees' average wage rate for the last 12 months when compared to the county average wage rate (*based on information provided by the Department of Labor and Employment*).

Average Wage Rate %	\$ Incentive/ Net New Job
<110%	\$0
110%-114%	\$1,000
115%-119%	\$1,250
120% or >	\$1,500

Process:

Businesses should review the State's Web Site for specific requirements and application instructions. Information on this program is located under Business Finance at www.AdvanceColorado.com.

After maintaining new jobs for one year, an employer has 90 days from the last day of the month in which the jobs were filled to submit an incentive application

The OEDIT Business Finance Staff will facilitate application review/disbursement process generally within 60 days after receipt of application.

A business can submit multiple applications as long as they meet the program requirements.

Businesses already receiving an incentive from the EDC may not receive an incentive from this program for the same net new jobs.

For further information, please contact:

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